

Message Text

CONFIDENTIAL

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64

ACTION ARA-10

INFO OCT-01 SS-14 ISO-00 NSC-07 NSCE-00 CIAE-00 INR-11

NSAE-00 RSC-01 EB-03 L-02 SP-01 CEA-01 STR-01 FEA-01

COME-00 INT-08 OMB-01 TRSE-00 PRS-01 EA-13 EUR-10

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R 222109Z JUL 74

FM AMEMBASSY LIMA

TO SECSTATE WASHDC 1098

C O N F I D E N T I A L LIMA 5975

LIMDIS

EO 11652 GDS

TAGS: EIND, EMIN, PE

SUBJECT: JAPANESE MAY WITHDRAW FROM CUAJONE PROJECT

REF: LIMA 5199 AND PREVIOUS

1. DANIEL RODRIGUEZ, LIMA-BASED VICE PRESIDENT OF SPCC AND FRANK WISE OF ASARCO INFORMED EMBASSY OFFICERS LAST WEEK THAT ALTHOUGH ALL FINANCIAL CONTRACTS HAVE BEEN SIGNED, SOME PROBLEMS HAVE ARISEN IN REGARD TO SALES CONTRACTS. THE MOST SERIOUS, POTENTIALLY, INVOLVES THE AGREEMENT BETWEEN SPCC AND A GROUP OF JAPANESE COMPANIES TO TAKE 30,000 METRIC TONS ANNUALLY (17 PERCENT OF CUAJONE'S PROJECTED PRODUCTION). ACCORDING TO RODRIGUEZ, THE JAPANESE HAVE RAISED SOME UNEXPECTED OBJECTIONS WITH SPCC, AND SPCC HEADQUARTERS IN NEW YORK HAS SENT A TEAM OF ITS "JAPANESE EXPERTS" TO TOKYO TO ATTEMPT TO RESOLVE THE PROBLEM. RODRIGUEZ IS NOT SURE THESE EFFORTS WILL BE SUCCESSFUL. FURTHER, ALTHOUGH LESS POTENTIALLY DAMAGING TO EARLY RESOLUTION OF THE FINAL CUAJONE PACKAGE, BOTH ENFIELD, A U.K. COMPANY, THE THE FRENCH FIRM PENARROYA (WITH 10,000 METRIC TONS EACH) HAVE CANCELLED THEIR SALES CONTRACTS. SPCC FORESEES NO PROBLEMS IN OBTAINING OTHER

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TRACTS. SPCC FORESEES NO PROBLEMS IN OBTAINING OTHER

EUROPEAN BUYERS FOR THEIR COPPER.

2. COMMENT: RODRIGUEZ IS CONCERNED THAT THE JAPANESE
COMPLICATIONS COULD POSTPONE FINAL SIGNING OF THE CONTRACT.
HE DID NOT SPELL OUT WHAT THE CONDITIONS ARE
NOR THE RATIONALE BEYOND THE JAPANESE
MOVE.
DEAN

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NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TREATY SIGNATURE, SALES, FINANCIAL AGREEMENTS, BUSINESS FIRMS, PROGRAMS (PROJECTS), SERVICE CONTRACTS, CONSULTANTS, VISITS
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Draft Date: 22 JUL 1974
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
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Disposition Authority: boyleja
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Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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